

PNC Bank Education Lending

Private Loan Program

Response to Request for Information

1st Quarter 2012

pnconcampus.com • 1.800.762.1001

NOTE: INFORMATION IS SUBJECT TO CHANGE WITHOUT NOTICE



Private Student Loan Programs

PNC Solution Loans

The PNC Bank Solution Loan Program is our private loan program for Undergraduates, Graduates, and Medical Professionals. These loans are for students who are enrolled at least half-time and in a degree or certificate program. A student is not required to meet Satisfactory Academic Progress (SAP).

The minimum loan amount a student can borrow is \$1,000, and up to the lesser of their school cost less any financial aid they receive or \$40,000 for undergraduate students. For graduate students the minimum amount is \$1,000 and up to the lesser of either their school cost less any financial aid they receive or \$65,000 for creditworthy students or \$20,000 for credit-ready students.

Credit Guidelines

If borrower is applying as an undergrad, they and/or their co-signer must meet the following credit criteria:

- Must be creditworthy
- Must have a satisfactory credit history for 24 months, residence and employment history of at least two years
- Must have proof of current income
- If self-employed, must have been in business at least two years
- Must be a U.S. citizen or permanent resident and must have resided in the U.S. for at least two years

Please note: A co-signer is typically required for undergraduate students; a creditworthy co-signer is required for 17-year-old students.

If borrower is applying as a graduate student, they may apply as a creditworthy or credit-ready borrower. The following criteria applies:

Creditworthy or Creditworthy Co-Signer

- Must have a satisfactory credit history of at least 24 months
- Must have proof of current income
- If self-employed, must have been in business at least two years
- Must be a U.S. citizen or permanent resident and have resided in the U.S. for the previous two years

Credit-Ready

- Must have good or no credit history
- Must be a U.S. citizen or permanent resident

Interest Rate and Fees*

The PNC Solution Loan program is a variable interest loan that is adjusted quarterly on the first of January, April, July and October of each year. PNC uses the index of a three-month average of the one-month LIBOR, plus a margin ranging from 3.30% to 11.00%, depending on the creditworthiness of the borrower and co-signer if any. The interest rate on our loan program is capped at 18%. The LIBOR rate is equal to the average of the one-month LIBOR rates as published in the “Money Rates” section of the Wall Street Journal on the first business day of each of the three calendar months immediately preceding each quarterly adjustment date. As of January 1, 2012 the LIBOR Index is 0.25% through March 31, 2012.

There are no application or origination fees on the PNC Solution Loan.

Benefits

All borrowers can take advantage of the following benefits:

- 0.50% interest rate reduction as long as borrower elects to have payments automatically deducted from a checking or savings account
- Co-signer release option available after 48 consecutive on-time payments, subject to credit approval

Repayment Options and Terms*

Repayment Options and Grace Periods

Borrowers may choose from three repayment options: immediate, interest-only or deferred repayment while in-school with a six-month grace period. Please note that interest will accumulate while the student is enrolled in school if payments are deferred. If not paid, the accumulated interest will be added to the principal at repayment.

Repayment Term

15 year repayment term. \$25 minimum payment per loan per month.

* The interest rate is calculated based on the average of the 1-month LIBOR index plus a margin of 3.30% to 11.00% based on creditworthiness. Effective 1/1/2012, interest rates range from 3.55% to 11.25% and APRs range from 3.41% to 11.25%. The monthly payment for the immediate repayment option at a rate range of 3.50% to 11.20% for 180 months on a \$10,000 loan means a student would make 180 payments which may range from \$71.73 to \$115.23 based on 30 days to first payment due date. All figures are for PNC Solution Loan for Undergraduates. Other terms and conditions apply for each Solution Loan Program and may vary based on repayment option and other factors. Please Note: PNC reserves the right to modify or discontinue any or all terms of this program at any time without notice.

Convenient Application Methods

Borrowers can apply for a PNC Solution Loan 24 hours a day by accessing the “**Apply Now**” button under the Private Loans Section on our home page (www.pnconcampus.com). Information is displayed for all five loan types, allowing the borrower to select the product that best suits their needs. Borrower(s) may also apply by phone by calling 1-800-762-1001 during regular business hours.

Borrower's Key Steps in the Application Process

1	Borrower and/or co-borrower applies and receives a preliminary credit decision in minutes.
2	<p>Borrower(s) choose to eSign or fax back the credit agreement and 'Self Certification' form. Any necessary verification documents must be faxed or emailed to AES at this time. Once all documentation is received, the Approval Disclosure is sent to the borrower(s) to be accepted 1 of 2 ways:</p> <ul style="list-style-type: none"> • Telephone — The borrower(s) may authenticate and accept the loan through the automated service at 1-800-421-4817. If preferred, the customer may speak to a customer service representative to accept the loan. • Email — An electronic version will also be sent to the borrower(s) so they can accept the loan electronically.
3	The Final Disclosure is mailed to the borrower(s) within 7 business days. Upon receipt of the Final Disclosure, the borrower(s) will be allotted a 3-day 'Right to Cancel' prior to the funding of the loan. This cancellation request may be submitted in writing or electronically.
4	PNC Solution Loan funds are disbursed to the school . (Exception: Bar Study and Health Professions residency funds are payable to the borrower(s) only in one disbursement.)

FAO's Key Steps in the Application Process

1	Borrower(s) have received a preliminary credit decision.
2	<p>School certification is sent to your office after the borrower's online application is completed and signed (including the Self Certification Form) all requested documentation (e.g. proof of income, proof of employment, etc) has been received, and the Approval Disclosure is completed. All of PNC's Solution Loan Products require school certification except for the health profession residency loan. Options to certify include:</p> <ul style="list-style-type: none"> • ELM • NYSHESC • OpenNet® • ScholarNet® • AES eCourier • AES can fax a certification form
3	Disbursement of funds are scheduled after the Final Disclosure is sent. PNC Solution Loan funds will be disbursed no earlier than 10 calendar days after the receipt of the Approval Disclosure Form , to allow for expiration of the borrower's 3-day 'Right to Cancel' period.
4	<p>PNC Solution Loan funds are disbursed through your preferred method:</p> <ul style="list-style-type: none"> • ELM National Disbursement Network (NDN) • Electronic funds transfer (EFT) • Central Disbursement Agent (CDA) • Paper check

Customer Service

When you call our Customer Service Center, you get a real person every time

Personal Customer Service

Customer focus is a critical value for PNC. PNC prides itself on the personalized customer service that is given to each and every customer. The Education Loan Center has a highly trained and experienced customer service staff with an average of 7.5 years of customer service experience whose only responsibility is serving education loan customers. Our goal is to offer a “one-stop shop” experience by providing quick and accurate account information to borrowers, while allowing the caller to remain with one customer service representative. As such, we provide on-going and in-depth training to our customer service representatives with the expectation that they can answer all loan questions posed by the borrower.

Borrowers may call toll-free to PNC at 800.762.1001. PNC’s normal service hours between 8 AM and 6 PM Monday-Friday Eastern Standard Time and with every call a customer is connected to a “live” customer service representative. Our Customer Service Department can assist borrowers in all facets of financing their higher education needs, including taking a private loan application over the phone. In addition to PNC’s Customer Service Department borrowers may also call our loan servicer, American Education Services (AES) at 800.421.4817 between the hours of 7:30 AM to 9:00 PM Monday-Friday to speak to a representative once they have completed a loan application.

Continued Customer Service for the Life of the Loan

PNC does not sell our private loans to third parties. We currently partner with American Education Services (AES) for origination and servicing of the PNC Solution Loan.

AES continues to take a leadership role in developing ways to ease the application process, while streamlining processing efforts by interfacing with prominent platforms such as ELM, e-Courier, OpenNet[®] and Scholarnet[®].

PNC has a long-standing relationship with AES, as they have proven they share the same service standards and knowledge that we value.

Ease and Efficiency

PNC understands the importance of borrowers having access to information when they need it.

PNC offers loan information 24 hours a day through our partner AES at their toll free telephone number and also online at www.aessuccess.org.

Borrowers can access information such as:

- Loan status
- Account/Payment history
- Online payment portal
- Interest accrual
- Outstanding balances
- Online customer service

Along with AES's website, PNC's website at www.pnconcampus.com offers customers resources and solutions that empower students to make smart decisions about their education lending options and repayment options.

Customer Service for School Clients

PNC is dedicated to providing our school customers with exemplary customer service, as well. We have several layers of professionals to provide schools with quick responses to assist in problem resolution. Laura Helmich is SUNY Fredonia's Campus Relations Manager and is backed by a Priority Service Representative, Cheryl Smith.

Laura Helmich

Campus Relations

800.762.1001 ext 214

laura.helmich@pnc.com

Cheryl Smith

Priority Service

800.762.1001 ext 421

cheryl.t.smith@pnc.com

Default Management and Financial Literacy

PNC Bank believes that waiting until the student is graduating or leaving school to introduce default prevention and/or debt management counseling poses a risk that students will not view these concepts as a priority. Additionally, some students will leave school unannounced without the benefit of these programs. We believe that default prevention and debt management education should begin when the student enters school and continue throughout the student's school career.

Innovative Financial Literacy Tools

PNC is committed to helping students make educated decisions, as many begin to manage their own finances for the first time. To aid students, www.pnconcampus.com provides multimedia tutorials on a variety of financial topics.

Users will find resources and calculators along with 2 curriculums: **"Paying for College"** and **"Financial Literacy"**.

- All curriculums are broken into courses. Courses are supported by fact sheets that students can print for future reference.
- Students have their choice of completing courses sequentially, or viewing only those of interest.
- Registering with the site allows students to customize tools and save their progress.
- The site also includes calculators and worksheets to help students create budgets, set goals, plan for the future, and determine the real cost of education.



Paying for College

A holistic understanding of the cost of college and applying for aid

- Making the Investment
- Types of Aid
- Creating an Aid Strategy
- Understanding "Financial Aid"
- Are You Independent?
- Applying for Financial Aid
- Federal Loans First
- Borrowing Wisely



Financial Literacy

Reducing overall college debt by making smart financial choices while in college

- Understanding Financial Health
- Choosing a Bank
- What is Credit?
- Avoiding ID Theft
- Budgeting for Students
- Managing Bank Accounts
- Students and Credit Cards
- Getting Out of Debt

Preparing for Repayment

In addition to providing information on understanding credit and responsible borrowing, we currently team with NorthStar Education Services to provide an industry-leading service called RepayReady to PNC Solution Loan borrowers.

This unique self-service tool is available when students need it most, the time between graduation and entering repayment when students' confusion and anxiety is high. It helps borrowers understand and organize their student loans, learn about repayment options and develop a personalized repayment strategy based on all the combination of FFELP, Federal Direct and private loans they may have. Students can access the site at pnc.repayready.com.